

22 December 1981

MEMORANDUM FOR THE RECORD

FROM:

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SUBJECT: DIA Response to SAFE Cost Growth

1. The attached discussion of the DIA response to the SAFE cost growth problem was given to and discussed with Bruce Johnson on December 11, 1981. It was written as a personal note in response to a sensed unease on the part of the DIA representatives at the 2 December Steering Committee meeting. The discussion was prompted by a meeting called by the DDA for 14 December to discuss the status of SAFE and possible action. (The meeting was cancelled. Other meetings were held, but did not involve the IHSA, until one on 21 December reporting on the recent PDR at )

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2. Considering the aggregate of problems now confronting the SAFE project, I suggested to Bruce that it would be appropriate to direct and sponsor an external audit of the project. Such an audit might provide a two week period for the selected contractor to get his investigation organized in the light of the available documentation and project organization. It would then double in effort to a six to eight man LOE, conducting the audit in two months. A cost of  was mentioned. The audit would consider: status; validity of the investment to date, by element; and design or approach alternatives to alleviate perceived cost, schedule or performance problems.

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3. Bruce indicated that he had been thinking about the same thing and would recommend it to the DDA. I understand he did so, privately, on 14 December.

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